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SOURCE Hsin-wen Jih-pao.YEH FEI REPORTS ON FUKIEN AFFAIRS

Shanghai -- At the 2 May 1950 regular meeting of the East China Military and Political Council, Yeh Fei, deputy chairman of the Fukien Province People's government, reporting on Fukien affairs during the past 3 months, made the following statements:

In February and March 1950, our forces wiped out 8,000 bandits in addition to the more than 20,000 previously destroyed. Rings of KMT special agents have been broken up in Foochow, Amoy, Ch'uan-chou, Chang-chou, and Fu-an, and conditions are now comparatively quiet and orderly. People's governments have been set up in all of the 67 hsien with the exception of Chin-men and Tung-shan. The "pao-chia" system has been abolished in part of the hsien where reform of rural political authority has been carried out. In 50 hsien, other than the 17 along the seacoast, and at Foochow and Amoy, conferences of all-circles' representatives have been held; arrangements are in progress for conferences in the other hsien. Many of the hsien have held conferences of farmers' representatives. Through these conferences, the relations between the government and the people have been strengthened and improved.

Much attention has been given to "relief through production" with substantial results. In this matter, the military agencies have given material assistance, particularly in connection with the two conflagrations in Foochow, one caused by a Nationalist air raid and the other by KMT saboteurs. On these occasions, 500 to 600 houses were destroyed and over 10,000 victims were aided. In the areas which suffered from the spring famine, production of supplementary crops was vigorously promoted. The provincial government distributed 10 million catties of rice seed for planting to restore the possibility of achieving the food production goals. Efforts are now being made to complete the task of grain-tax collection. The quota for sale of public bonds has been surpassed. At present, in accordance with the decisions of the State Administration Council, the provincial government is carrying out the work of financial unification and of making inventories of public property in depositories and warehouses.

Nevertheless, numerous difficulties are encountered. For instance, there are still in the province some 30,000 bandits scattered in small groups, and the situation is quite serious. The terrain of the province is favorable for

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bandit operations. Reactionary elements in Taiwan take advantage of the long and deeply indented shore line to land men, ammunition, and equipment which then find cover in the nearby wooded mountains. Since liberating Fukien, we have come to realize that the extermination of all the bandits is an exceedingly difficult matter; but with close cooperation between the people, the government, and the bandit suppression forces, we are confident that the bandits may be entirely cleaned out within the present year.

It is hoped that the rent-reduction program will be completed during the coming summer and fall.

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